REMARKS

Formal Matters

Applicant appreciates the Examiner's acknowledgement of the election without traverse of Group I, claims 1-7.

Claims 1-7 are the claims currently pending in the Application.

Specification

In accordance with the Examiner's request, applicant submits herewith an amended Abstract. This amended abstract contains the proper language and is in the proper format for an abstract of the disclosure. No new matter has been added. Applicant respectfully requests that this abstract replace the earlier filed one.

Rejection of Claims 1-4, 6 under 35 U.S.C. § 102

Claims 1-4, and 6 are rejected under 35 U.S.C. § 102(e) as being anticipated by Saari et al., U.S. Patent No. 6,338,046. This rejection is traversed.

Saari et al. discloses a system and method for charging for usage of network service connections, that is, for charging a user based on his use of various network resources as his data travels through the network. Such resources include nodes which facilitate the transfer of information from a source location to a destination location, ATM traffic parameters, traffic flow parameters, and other service factors. (column 2, lines 2-6, column 4, lines 33-35). This method is implemented using a billing cell which contains billing and connection (network resource) information. The billing information is produced from this billing cell. (column 2, lines 4-7). Saari et al. does not disclose or suggest that the connection or network resource information contained in a billing cell include either or both of the source or destination IP address. Further, while Saari et al. discloses that many factors could be used as variables within

the charging formula (column 4, lines 31-34), he does not disclose or suggest classifying the variables as part of his procedure, particularly not according the classification variables of source or destination IP address claimed in the present application. For example, Saari et al. does not suggest combining, grouping, sorting or otherwise manipulating the billing cells in a way that would necessitate their being classified. Instead, Saari et al. states that the relevant charging information acquired by the billing unit from the billing cell is only used to compute the cost of connection usage. (column 5, lines 47-48). Further, Saari et al. discloses transmitting a billing cell to a user (column 7, lines 18-19) but not including or assigning user information within the billing cell, as the present application claims.

By contrast, in applicant's invention, a user is charged based solely on the source IP address and the destination IP address. No tracking of network resources is needed as use of these resources is not included in the cost accounting process. Thus, the present invention includes the steps of classifying the detected data packets based on the source and destination IP address, and assigning the classified data packets to a network user. By classifying the data packets based on source or destination IP address, as opposed to network connections as disclosed in Saari et al., applicant's inventive method enables charges for usage to be determined by the categories of source-to-destination addresses. Applicant's method is not concerned with the route or path the data followed while moving from source to destination, nor it is concerned with resources used by the data during its travels. Accordingly, the method does not track or charge for the use of various network resources such as nodes or traffic patterns, as does Saari et al. This simple classification and charging method recalls the traditional voice or telephone paradigm, with which users are familiar. The straightforwardness of this method results in less

user confusion about bills and billing rates, and provides an improvement over the billing techniques of the prior art.

Further, by assigning the classified data packets to a network user, the present invention enables portability and flexibility in billing. A user is charged not according to his physical location but instead based on a predetermined IP address, making the user's charges more consistent and easier to understand. This is an improvement not found in the prior art. Thus applicant's invention includes novel and nonobvious steps, patentably distinguishing claim 1 from the prior art. Applicant requests that the rejection of claim 1 be withdrawn.

Claims 2-4 and 6 depend from independent claim 1 thus incorporating the novel and nonobvious steps of their base claim and are, therefore, patentably distinguishable over the prior art for at least the reason that their base claim is patentably distinguishable over the prior art. Thus, applicant respectfully requests that this rejection of claims 1-4 and 6 be withdrawn.

Rejection of Claim 5 under 35 U.S.C. § 103

Claim 5 is rejected under 35 U.S.C. § 103(a) as being unpatentable over Saari et al., in view of Scheitzer et al., U.S. Patent No. 6,418,467. This rejection is traversed.

The Examiner states that Saari does not disclose a filtering process that excludes certain data from being included in the costing step, but further states that Scheitzer et al. discloses data merges to remove redundant data (Office Action, page 5). Applicant states that merging data to remove redundant data involves determining whether a set of data in one collection matches a set in another collection, and, if a match is found, removing the redundant data set. Generally this merging process requires a significant amount of temporary data storage as both collections of data must be available for comparison during the merge process.

By contrast, applicant's invention includes the step of filtering data, defined as "The filter process is used to eliminate or apply special costing to certain types of data packets. This process determines the types of frame packets and flags such frames for non or special costing, such as Unicast, Multicast, or Broadcast messages." (page 9, lines 15-19, underline added) Thus applicant's process does not evaluate one collection of data with respect to another as is required to eliminate duplicates, but instead determines the type of packets according to predetermined characteristics, then classifies the packets by type and then filters the data. If a predetermined type of data packet is to be excluded, then the data packet is removed from the costing step. This filtering process requires significantly less memory than merging; further, the predetermined types of data packets can be pre-programmed into a system and, if desired, ordered so that the most frequently found data packet type occurs at the beginning enabling the data packets to be determined and classifieds with a minimum number of searches or look-ups. Thus, the filtering process is distinct from a merging procedure to eliminate data, and applicant's invention includes this filtering step, which is not found in the prior art.

As explained above, neither of the references cited by the Examiner recognize the advantage of filtering to eliminate predetermined data packet types as disclosed in the present invention. Therefore, Saari et al. and Scheitzer et al., even taken together in combination, do not disclose or suggest the recitations of claim 5. Applicant requests that this rejection of claim 5 be withdrawn.

Rejection of Claim 7 under 35 U.S.C. § 103

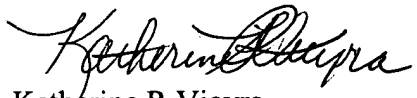
Claim 7 is rejected under 35 U.S.C. § 103(a) as being unpatentable over Saari et al. This rejection is traversed.

The Examiner states that Saari et al. does not disclose a programmable device for cost accounting that is comprised of a network controller, a processor and a dynamic random access memory. (Office Action, page 6) As discussed above, Saari et al. discloses a system for charging for usage of network service connections, such as network resources including nodes. Thus, Saari et al. does not disclose all of the functionality of the present invention. Specifically, Saari et al. does not disclose classifying the detected data packets based on the source and destination IP address, as claimed in claim 7. Further, Saari et al. does not disclose assigning the classified data packets to a network user, as also claimed. The Examiner provides no teaching or suggestion in Saari et al. to create these functions. Thus, applicant requests that the rejection of claim 7 be withdrawn.

Conclusion

For at least the reasons set forth in the foregoing discussion, Applicant believes that the application is now allowable and respectfully requests that the Examiner reconsider the rejections and allow the application. Should the Examiner have any questions regarding this Amendment, or regarding the Application generally, the Examiner is invited to telephone the undersigned attorney.

Respectfully submitted,



Katherine R. Vieyra
Registration No. 47,155

Scully, Scott, Murphy & Presser, P.C.
400 Garden City Plaza - Suite 300
Garden City, New York 11530
Telephone: (516) 742-4343
Facsimile: (516) 742-4366

KRV:kc